



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

York Insurance Company of Maine

NAIC Group Code	3703 (Current)	3703 (Prior)	NAIC Company Code	31267	Employer's ID Number	01-0286287
Organized under the Laws of	Maine		State of Domicile or Port of Entry		Maine	
Country of Domicile	United States of America					
Incorporated/Organized	11/16/1894		Commenced Business		01/01/1895	
Statutory Home Office	707 Sable Oaks Drive, Suite 100 (Street and Number)		So. Portland , ME, US 04106-6917 (City or Town, State, Country and Zip Code)			
Main Administrative Office	707 Sable Oaks Drive, Suite 100 (Street and Number)		So. Portland , ME, US 04106-6917 (City or Town, State, Country and Zip Code)			
			800-456-1819 (Area Code) (Telephone Number)			
Mail Address	120 Broadway, 31st Floor (Street and Number or P.O. Box)		New York , NY, US 10271 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	120 Broadway, 31st Floor (Street and Number)		212-655-2000 (Area Code) (Telephone Number)			
	New York , NY, US 10271 (City or Town, State, Country and Zip Code)					
Internet Website Address	www.twrgroup.com					
Statutory Statement Contact	Brian Wayne Finkelstein (Name)		212-655-2065 (Area Code) (Telephone Number)			
	bfinkelstein@twrgroup.com (E-mail Address)		212-655-2199 (FAX Number)			

OFFICERS

President and Chief Executive Officer	Michael Han Lee	Executive Vice President and Chief Underwriting Officer	Gary Stewart Maier
Executive Vice President and Chief Financial Officer	William Edward Hitselberger	Senior Vice President, General Counsel and Secretary	Elliot Scott Orol

OTHER

DIRECTORS OR TRUSTEES		
Michael Han Lee, Chairman	William Franklin Dove #	William Edward Hitselberger
Gary Stewart Maier	Elliot Scott Orol	Christian Kirby Pechmann
Laurie Ann Raneger		

State of New York
County of New York
SS:

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Michael Han Lee
President & Chief Executive Officer

William Edward Hitselberger
Executive Vice President & Chief Financial Officer

Elliot Scott Orol
Senior Vice President, General Counsel & Secretary

Subscribed and sworn to before me this 22nd day of February 2013

JING JING YU
Notary Public, State of New York
No. 01YU6214444
Qualified in Kings County
My Commission Expires December 7, 2013

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed
3. Number of pages attached.....

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	33,329,107		33,329,107	33,007,651
2. Stocks (Schedule D):				
2.1 Preferred stocks	4,519,487		4,519,487	901,700
2.2 Common stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$(43,907) , Schedule E - Part 1), cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$572,147 , Schedule DA)	528,240		528,240	(131,277)
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	1,959,164		1,959,164	
9. Receivable for securities	1,898,645		1,898,645	
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	42,234,643		42,234,643	33,778,074
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	404,693		404,693	409,839
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				1,029
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	2,370,269		2,370,269	1,455,830
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	45,009,605		45,009,605	35,644,772
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	45,009,605		45,009,605	35,644,772
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)		
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)		
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	26,043	28,911
7.2 Net deferred tax liability	7,220	
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$25,824,666 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)		
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 8)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	33,263	28,911
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	33,263	28,911
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	3,125,000	3,125,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	37,890,569	29,990,569
35. Unassigned funds (surplus)	3,960,773	2,500,292
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	44,976,342	35,615,861
38. TOTALS (Page 2, Line 28, Col. 3)	45,009,605	35,644,772
DETAILS OF WRITE-INS		
2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)		
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....		
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)		
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)		
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)		
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)		
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)		
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	1,446,904	1,094,455
10. Net realized capital gains or (losses) less capital gains tax of \$173,520 (Exhibit of Capital Gains (Losses))	371,852	(63,050)
11. Net investment gain (loss) (Lines 9 + 10)	1,818,756	1,031,405
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income		
15. Total other income (Lines 12 through 14)		
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	1,818,756	1,031,405
17. Dividends to policyholders		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	1,818,756	1,031,405
19. Federal and foreign income taxes incurred	354,758	152,350
20. Net income (Line 18 minus Line 19)(to Line 22)	1,463,998	879,055
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	35,615,861	25,644,450
22. Net income (from Line 20)	1,463,998	879,055
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$73,484	(56,027)	13,347
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(24,774)	71,904
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	92,895	(92,895)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in	7,900,000	9,100,000
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	(15,611)	
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	9,360,481	9,971,411
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	44,976,342	35,615,861
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)		
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)		
3701. Correction of an error - SSAP 3 - current tax	(12,725)	
3702. Correction of an error - SSAP 3 -Deferred Tax	11,623	
3703. Correction of an error - SSAP 3 -Deferred tax non-admit	(14,509)	
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)	(15,611)	

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance		
2. Net investment income	1,563,355	936,563
3. Miscellaneous income		
4. Total (Lines 1 through 3)	1,563,355	936,563
5. Benefit and loss related payments		
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions		
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	528,260	535,012
10. Total (Lines 5 through 9)	528,260	535,012
11. Net cash from operations (Line 4 minus Line 10)	1,035,095	401,551
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	26,211,934	55,894,261
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		32
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Lines 12.1 to 12.7)	26,211,934	55,894,293
13. Cost of investments acquired (long-term only):		
13.1 Bonds	26,041,033	51,658,697
13.2 Stocks	3,617,778	901,700
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets	2,000,000	
13.6 Miscellaneous applications	1,898,645	
13.7 Total investments acquired (Lines 13.1 to 13.6)	33,557,456	52,560,397
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(7,345,522)	3,333,896
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock	7,900,000	9,100,000
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(930,056)	(14,964,465)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	6,969,944	(5,864,465)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	659,517	(2,129,018)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	(131,277)	1,997,741
19.2 End of period (Line 18 plus Line 19.1)	528,240	(131,277)

Note: Supplemental disclosures of cash flow information for non-cash transactions:

--	--	--

Underwriting and Investment Exhibit - Part 1 - Premiums Earned

N O N E

Underwriting and Investment Exhibit - Part 1A - Recapitulation of all Premiums

N O N E

UNDERWRITING AND INVESTMENT EXHIBIT

Line of Business		1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1+2+3-4-5
			2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1.	Fire	1, 107,579	(107)		1, 107,472		
2.	Allied lines	545,273	117		545,390		
3.	Farmowners multiple peril						
4.	Homeowners multiple peril	21,933,820	327		21,934,147		
5.	Commercial multiple peril		(656,170)		(656,170)		
6.	Mortgage guaranty						
8.	Ocean marine	114,477			114,477		
9.	Inland marine	558,500	768		559,268		
10.	Financial guaranty						
11.1	Medical professional liability - occurrence						
11.2	Medical professional liability - claims-made						
12.	Earthquake	61,219			61,219		
13.	Group accident and health						
14.	Credit accident and health (group and individual)						
15.	Other accident and health						
16.	Workers' compensation		(327)		(327)		
17.1	Other liability - occurrence	1,205,284	6,290		1,211,574		
17.2	Other liability - claims-made	291,851			291,851		
17.3	Excess workers' compensation						
18.1	Products liability - occurrence						
18.2	Products liability - claims-made						
19.1, 19.2	Private passenger auto liability	12,930,651			12,930,651		
19.3, 19.4	Commercial auto liability		12,178		12,178		
21.	Auto physical damage	10,846,943	4,811		10,851,754		
22.	Aircraft (all perils)						
23.	Fidelity		15		15		
24.	Surety						
26.	Burglary and theft		(13)		(13)		
27.	Boiler and machinery		78		78		
28.	Credit						
29.	International						
30.	Warranty						
31.	Reinsurance - nonproportional assumed property	XXX					
32.	Reinsurance - nonproportional assumed liability	XXX					
33.	Reinsurance - nonproportional assumed financial lines	XXX					
34.	Aggregate write-ins for other lines of business						
35.	TOTALS	49,595,597	(632,033)		48,963,564		
DETAILS OF WRITE-INS							
3401.						
3402.						
3403.						
3498.	Summary of remaining write-ins for Line 34 from overflow page						
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)						

If yes: 1. The amount of such installment premiums \$

2. Amount at which such installment premiums would have been reported had they been reported on an annualized basis \$

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A , Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	653,895	13,546	667,441					
2.	Allied lines	116,268	25,379	141,647					
3.	Farmowners multiple peril								
4.	Homeowners multiple peril	5,317,530		5,317,530					
5.	Commercial multiple peril	287,926	1,100,719	1,388,645					
6.	Mortgage guaranty								
8.	Ocean marine	47,643		47,643					
9.	Inland marine	176,186	3,719	179,905					
10.	Financial guaranty								
11.1	Medical professional liability - occurrence								
11.2	Medical professional liability - claims-made	894,344		894,344					
12.	Earthquake								
13.	Group accident and health	(3,525)		(3,525)					
14.	Credit accident and health (group and individual)								
15.	Other accident and health								
16.	Workers' compensation	285,991	747,392	1,033,383					
17.1	Other liability - occurrence	56,563	1,959,962	2,016,525					
17.2	Other liability - claims-made	3,583,234		3,583,234					
17.3	Excess workers' compensation								
18.1	Products liability - occurrence								
18.2	Products liability - claims-made								
19.1, 19.2	Private passenger auto liability	6,163,202		6,163,202					
19.3, 19.4	Commercial auto liability	268,000	602,225	870,225					
21.	Auto physical damage	5,739,833	31,045	5,770,878					
22.	Aircraft (all perils)								
23.	Fidelity		(142)	(142)					
24.	Surety								
26.	Burglary and theft								
27.	Boiler and machinery		11,781	11,781					
28.	Credit								
29.	International								
30.	Warranty								
31.	Reinsurance - nonproportional assumed property	XXX							
32.	Reinsurance - nonproportional assumed liability	XXX							
33.	Reinsurance - nonproportional assumed financial lines	XXX							
34.	Aggregate write-ins for other lines of business								
35.	TOTALS	23,587,090	4,495,626	28,082,716					
DETAILS OF WRITE-INS									
3401.	.....							
3402.	.....							
3403.	.....							
3498.	Summary of remaining write-ins for Line 34 from overflow page								
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)								

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
Line of Business		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable from Authorized and Unauthorized Companies	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	108,367	100,000	208,367		69,582	(15,021)	54,561		
2.	Allied lines	4,424	7,500	11,924		33,460	(242)	33,218		
3.	Farmowners multiple peril									
4.	Homeowners multiple peril	3,189,698	(8,009)	3,181,689		1,320,858	888	1,321,746		
5.	Commercial multiple peril	193,534	1,886,240	2,079,774		4,688	960,893	965,581		
6.	Mortgage guaranty									
8.	Ocean marine									
9.	Inland marine	1,938		1,938		26,818		26,818		
10.	Financial guaranty									
11.1	Medical professional liability - occurrence									
11.2	Medical professional liability - claims-made	2,775,627		2,775,627		1,400,969		1,400,969		
12.	Earthquake									
13.	Group accident and health								(a)	
14.	Credit accident and health (group and individual)									
15.	Other accident and health								(a)	
16.	Workers' compensation	1,323,413	2,886,960	4,210,373		259,239	(503,733)	(244,494)		
17.1	Other liability - occurrence	647,501	1,355,056	2,002,557		958,980	410,151	1,369,131		
17.2	Other liability - claims-made	905,007		905,007		1,813,245	(63,995)	1,749,250		
17.3	Excess workers' compensation									
18.1	Products liability - occurrence					7,083	129	7,212		
18.2	Products liability - claims-made									
19.1, 19.2	Private passenger auto liability	6,943,336		6,943,336		3,026,043		3,026,043		
19.3, 19.4	Commercial auto liability	468,749	697,490	1,166,239		62,968	322,953	385,921		
21.	Auto physical damage	(213,009)	1	(213,008)		(14,857)	18,039	3,182		
22.	Aircraft (all perils)									
23.	Fidelity					542		542		
24.	Surety									
26.	Burglary and theft									
27.	Boiler and machinery									
28.	Credit									
29.	International									
30.	Warranty									
31.	Reinsurance - nonproportional assumed property	XXX				XXX				
32.	Reinsurance - nonproportional assumed liability	XXX				XXX				
33.	Reinsurance - nonproportional assumed financial lines	XXX				XXX				
34.	Aggregate write-ins for other lines of business									
35.	TOTALS	16,348,585	6,925,238	23,273,823		8,969,618	1,130,062	10,099,680		
DETAILS OF WRITE-INS										
3401.	.....								
3402.	.....								
3403.	.....								
3498.	Summary of remaining write-ins for Line 34 from overflow page									
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)									

(a) Including \$ for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	397,788			397,788
1.2 Reinsurance assumed	783,696			783,696
1.3 Reinsurance ceded	1,181,484			1,181,484
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)				
2. Commission and brokerage:				
2.1 Direct excluding contingent		8,274,434		8,274,434
2.2 Reinsurance assumed, excluding contingent		345,283		345,283
2.3 Reinsurance ceded, excluding contingent		8,619,717		8,619,717
2.4 Contingent - direct		1,248,990		1,248,990
2.5 Contingent - reinsurance assumed				
2.6 Contingent - reinsurance ceded		1,248,990		1,248,990
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)				
3. Allowances to managers and agents				
4. Advertising				
5. Boards, bureaus and associations				
6. Surveys and underwriting reports				
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries				
8.2 Payroll taxes				
9. Employee relations and welfare				
10. Insurance				
11. Directors' fees				
12. Travel and travel items				
13. Rent and rent items				
14. Equipment				
15. Cost or depreciation of EDP equipment and software				
16. Printing and stationery				
17. Postage, telephone and telegraph, exchange and express				
18. Legal and auditing				
19. Totals (Lines 3 to 18)				
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$				
20.2 Insurance department licenses and fees				
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)				
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)				
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses			27,011	27,011
25. Total expenses incurred			27,011 (a)	27,011
26. Less unpaid expenses - current year				
27. Add unpaid expenses - prior year				
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)			27,011	27,011
DETAILS OF WRITE-INS				
2401. Investment Expense			27,011	27,011
2402.				
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)			27,011	27,011

(a) Includes management fees of \$ to affiliates and \$ to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....251,486	.....146,425
1.1	Bonds exempt from U.S. tax	(a) .....273,761	.....353,281
1.2	Other bonds (unaffiliated)	(a) .....780,464	.....800,707
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....174,285	.....174,285
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....	.....
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5	Contract loans .....	.....	.....
6	Cash, cash equivalents and short-term investments	(e) .....(38)	.....113
7	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....(896)	.....(896)
10.	Total gross investment income	1,479,062	1,473,915
11.	Investment expenses		(g) .....27,011
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....
16.	Total deductions (Lines 11 through 15) .....		.....27,011
17.	Net investment income (Line 10 minus Line 16)		1,446,904
DETAILS OF WRITE-INS			
0901.	Other Income .....	.....(896)	.....(896)
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	.....(896)	.....(896)
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		

- (a) Includes \$62,569 accrual of discount less \$173,874 amortization of premium and less \$145,153 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$21 amortization of premium and less \$128 paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	.....35,193		.....35,193		
1.1	Bonds exempt from U.S. tax .....	.....97,518		.....97,518		
1.2	Other bonds (unaffiliated) .....	.....412,661		.....412,661	.....58,295	
1.3	Bonds of affiliates					
2.1	Preferred stocks (unaffiliated)					
2.11	Preferred stocks of affiliates					
2.2	Common stocks (unaffiliated)					
2.21	Common stocks of affiliates					
3.	Mortgage loans					
4.	Real estate					
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets .....				.....(40,836)	
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)	545,372		545,372	17,459	
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)					

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens.....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset		92,895	92,895
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets			
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)		92,895	92,895
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)		92,895	92,895
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Sundry balances			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)			

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of York Insurance Company of Maine (“Company”) are presented on the basis of accounting practices prescribed or permitted by the Maine Bureau of Insurance.

The Company recognizes only statutory accounting practices prescribed or permitted by the State of Maine in reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Maine Insurance Law. The National Association of Insurance Commissioners’ (NAIC) Accounting Practices and Procedure manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the Maine Bureau of Insurance.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Maine is shown below:

	State of Domicile	Year ended and as of	
		December 31, 2012	December 31, 2011
Net Income			
Net income, state basis	ME	\$ 1,463,998	\$ 879,055
State Prescribed practices: (Income)			
State Permitted practices: (Income)			
Net income, NAIC SAP		<u>\$ 1,463,998</u>	<u>\$ 879,055</u>
Surplus			
Statutory surplus, state basis	ME	\$ 44,976,342	\$ 35,615,861
State Prescribed practices: (Surplus)			
State Permitted practices: (Surplus)			
Statutory surplus, NAIC SAP		<u>\$ 44,976,342</u>	<u>\$ 35,615,861</u>

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policies

Premiums are generally earned pro-rata over the period the coverage is provided. Unearned premiums reserves represent the portion of premium written which is applicable to the unexpired term of the policies in force. The unearned premium reserve is computed by pro-rata methods for direct, assumed and ceded business.

Expenses incurred in connection with acquiring new business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the Company uses the following accounting policies:

1. Investment grade short-term investments are stated at amortized cost. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
2. Investment grade bonds, not backed by other loans, are stated at amortized cost using the scientific interest method. Non-investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized cost or fair value.
3. The Company does not have Common Stock investments.
4. Preferred Stock investments are stated in accordance with the guidance provided in SSAP No. 32.
5. The Company does not have mortgage loans.
6. Investment grade loan-backed securities are stated at amortized value. Non-investment grade loan-backed securities are stated at lower of amortized cost or fair value. The retrospective adjustment method is used to amortize all securities, excluding the structured securities below AA category which is amortized prospectively.
7. The Company does not have any investments in insurance or non-insurance subsidiaries.
8. Investments in limited partnerships, if any, are carried at the underlying audited GAAP equity value of the investee or at fair value.
9. The Company does not have derivative investments.
10. The Company utilizes anticipated investment income as a factor in the premium deficiency calculation.
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period such estimate is determined.
12. The Company has not modified its capitalization policy from the prior period.
13. The Company does not write major medical insurance with prescription drug coverage.

NOTES TO FINANCIAL STATEMENTS

2. Accounting Changes and Corrections of Errors

During 2011, the NAIC adopted Statement of Statutory Accounting Principles No. 101 – Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10 (“SSAP 101”). SSAP 101 is effective January 1, 2012 and includes the same calculation for limitation of DTA admissibility as SSAP 10R for insurers that maintain a minimum of 300% of their authorized control level RBC computed without net deferred tax assets. The Company exceeded the 300% minimum RBC requirement at December 31, 2012 and 2011. SSAP 101 also changes the recognition and measurement criteria for contingent tax liabilities. Management has evaluated SSAP 101 and finds that it had no material effect on the results of operations for 2012.

During the current year's financial statement preparation, the Company discovered an error in the compiling and reporting of current and deferred taxes that are related to prior year financial statements. The misstatements are related to federal income taxes. Federal income taxes include both the effects of return to provision differences resulting from the filing of 2011 tax return, as well as corrections of the December 31, 2011 net deferred tax asset. The following reflects the impact of the correction on net income, total assets and total liabilities as presented in the December 31, 2011 financial statements:

	Total Admitted	Total Capital	Total Liabilities	Net Income
	Assets	and Surplus	and Capital and	(Loss)
			Surplus	
December 31, 2011 as reported	\$ 35,644,772	\$ 35,615,861	\$ 35,644,772	\$ 879,055
Federal income tax recoverable	(12,725)	(12,725)	(12,725)	\$ (12,725)
Change in admitted deferred tax asset	(2,886)	(2,886)	(2,886)	
Total Prior Year Restatement	(15,611)	(15,611)	(15,611)	(12,725)
December 31, 2011 Adjusted	\$ 35,629,161	\$ 35,600,250	\$ 35,629,161	\$ 866,330

In the December 31, 2012 statutory financial statements, these misstatements were reported as adjustments to the beginning statutory surplus.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

Not applicable.

B. Statutory Merger

Not applicable.

C. Impairment Loss

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loan – Not applicable.
- B. Debt Restructuring – Not applicable.
- C. Reverse Mortgages – Not applicable.
- D. Loan-Backed Securities:

1. Description of sources used to determine prepayment assumptions.

For RMBS Loan Backed Securities, prepayment assumptions are obtained using Andrew Davidson & Co's Loan Dynamics model. CMBS Loan Backed Securities are protected against prepayments therefore any cash flow variability is driven mostly by defaults and recovery, not prepay optionality.

Not applicable.

2. Other-than-temporary impairment, (“OTTI”), for loan-backed securities recorded during the year because the Company had either the intent to sell the securities or the inability or lack of intent to retain.

Not applicable.

3. For each security, by CUSIP, with a recognized OTTI, currently held by the reporting entity, as the present value of cash flows expected to be collected is less than the amortized cost basis of the securities:

Not applicable.

NOTES TO FINANCIAL STATEMENTS

4. All impaired securities (fair value is less than cost or amortized cost) for which an OTTI has not been recognized in earnings as a realized loss (including securities with a recognized OTTI for non-interest related declines when a non-recognized interest related impairment remains):

a) The aggregate amount of unrealized loss December 31, 2012:

URA Loss	URA Loss
Less than 12 months	Greater than 12 months
-0-	-0-

b) The aggregate related fair value of securities with unrealized losses as of December 31, 2012:

Fair Value	Fair Value
Less than 12 months	Greater than 12 months
-0-	-0-

5. Criteria that impairments are OTTI:

Management regularly reviews the Company’s fixed-maturity and equity security portfolios to evaluate the necessity of recording impairment losses for other-than-temporary declines in the fair value of investments. In evaluating potential impairment, management considers, among other criteria: (i) the overall financial condition of the issuer; (ii) the current fair value compared to amortized cost or cost, as appropriate; (iii) the length of time the security’s fair value has been below amortized cost or cost; (iv) specific credit issues related to the issuer such as changes in credit rating, reduction or elimination of dividends or non-payment of scheduled interest payments; (v) whether management intends to sell the security and, if not, whether it is more likely than not that the Company will be required to sell the security before recovery of its amortized cost basis; (vi) specific cash flow estimations for certain mortgage-backed and asset-backed securities; and (vii) current economic conditions. If an OTTI is determined for a fixed-maturity security, and management does not intend to sell and it is more likely than not that it will not be required to sell the security before recovery of cost or amortized cost, the credit portion is included in the statement of income in net realized investment gains (losses) and the non-credit portion is included in unassigned surplus. The credit portion results in a permanent reduction of the cost basis of the underlying investment and the security is amortized to the expected recovery amount. The determination of OTTI is a subjective process and different judgments and assumptions could affect the timing of loss realization. (viii) Management implemented a threshold policy on impairments, whereby any individual security with a loss under \$10,000 is deemed to be immaterial and will not be impaired.

- E. Repurchase Agreements and/or Securities Lending Transactions – Not applicable.
- F. Investments in Real Estate – Not applicable.
- G. Investments in Low-income Housing Tax Credits – Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. Investment greater than 10% of Admitted Assets
Not applicable.
- B. Impaired investment in Joint Ventures, Partnerships and LLCs
Not applicable.

7. Investment Income

- A. Due/Accrued Investment Income
The Company did not non-admit any investment income.
- B. Amounts Non-admitted
Not applicable.

8. Derivative Instruments

The Company does not have derivative instruments.

9. Income Taxes

The application of SSAP No. 10R, Income Taxes - Revised, A Temporary Replacement of SSAP No. 10, requires a company to evaluate the recoverability of deferred tax assets and to establish a valuation allowance if necessary to reduce the deferred tax asset to an amount which is more likely than not to be realized. Considerable judgment is required in determining whether a valuation allowance is necessary, and if so, the amount of such valuation allowance. In evaluating the need for a valuation allowance, the company considers many factors, including (1) the nature of the deferred tax assets and liabilities; (2) whether they are ordinary or capital; (3) the timing of their reversal; (4) taxable income in prior year carry back years as well as projected taxable earnings exclusive of reversing temporary differences and carry forwards; (5) the length of time that the carry forwards can be utilized; (6) unique tax rules that would impact the utilization of the deferred tax assets; and (7) any tax planning strategies that the company would

NOTES TO FINANCIAL STATEMENTS

employ to avoid a tax benefit from expiring unused although realization is not assured, management believes it is more likely than not that the deferred tax assets, net of valuation allowances, will be realized. The Company does have a valuation allowance as of December 31, 2012 and 2011.

A. The comments of the net deferred tax asset/liability at December 31 are as follows:

(1)

	December 31, 2012			December 31, 2011			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	2,453	14,509	16,962	1,029	92,895	93,924	1,424	(78,386)	(76,962)
(b) Statutory valuation allowance adjustments	-	-	-	-	-	-	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b)	2,453	14,509	16,962	1,029	92,895	93,924	1,424	(78,386)	(76,962)
(d) Deferred tax assets nonadmitted	-	14,509	14,509	-	92,895	92,895	-	(78,386)	(78,386)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	2,453	-	2,453	1,029	-	1,029	1,424	-	1,424
(f) Deferred tax liabilities	9,673	-	9,673	-	-	-	9,673	-	9,673
(g) Net admitted deferred tax asset/(Net Deferred Tax Liability) (1e - 1f)	(7,220)	-	(7,220)	1,029	-	1,029	(8,249)	-	(8,249)

During 2011, the NAIC adopted Statement of Statutory Accounting Principle No. 101 – Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10 (“SSAP 101”). SSAP 101 is effective January 1, 2012 and includes the same calculation for limitation of DTA admissibility as SSAP 10R for insurers that maintain a minimum of 300% of their authorized control level RBC computed without net deferred tax assets. The Company exceeded the 300% minimum RBC requirement at December 31, 2012 and December 31, 2011 and expects to exceed this minimum throughout 2013. SSAP 101 also changes the recognition and measurement criteria for contingent tax liabilities. Management has evaluated SSAP 101 and believes it will have no material effect on the results of operations for 2013 and beyond.

(2)

Admission Calculation Components SSAP No. 101	December 31, 2012			December 31, 2011			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carry backs	-	-	-	6,989	-	6,989	(6,989)	-	(6,989)
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	-	-	-	-	-	-	-	-	-
(1) Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	-	-	-	-	-	-	N/A	N/A	-
(2) Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	6,747,534	-	6,747,534	3,936,529	-	3,936,529	N/A	N/A	2,811,005
(c) Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	(7,220)	-	(7,220)	(5,960)	-	(5,960)	(1,260)	-	(1,260)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	(7,220)	-	(7,220)	1,029	-	1,029	(8,249)	-	(8,249)

(3)

	2012	2011
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	6482.21%	N/A
(b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above	44,976,342	-

(4)

Impact of Tax Planning Strategies	December 31, 2012			December 31, 2011			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Adjusted Gross DTAs (%of Total Adjusted Gross DTAs)	0.00%	0.00%	0.00%						
(b) Net Admitted Adjusted Gross DTAs (%of Total Net Admitted Adjusted Gross DTAs)	0.00%	0.00%	0.00%						
(c) The Company's tax planning strategies did not include the use of reinsurance-related tax planning strategies.									

B. Unrecognized DTLs

Not applicable.

C. Current tax and change in deferred tax:

(1) Current income tax

	December 31, 2012	December 31, 2011	Change
(a) Federal	355,470	346,683	8,786
(b) Foreign	-	-	-
(c) Subtotal	355,470	346,683	8,786
(d) Federal income tax on net capital gains	173,520	(6,026)	179,546
(e) Utilization of capital loss carryforwards	-	-	-
(f) Other	(711)	(194,333)	193,622
(g) Federal and foreign income taxes incurred	528,278	146,324	381,954

NOTES TO FINANCIAL STATEMENTS

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are as follows:

(2)	Deferred tax assets:			
		December 31, 2012	December 31, 2011	Change
(a)	Ordinary:			
(1)	Discounting of unpaid losses	-	-	-
(2)	Unearned premium reserve	-	-	-
(3)	Policyholder reserves	-	-	-
(4)	Investments	2,407	148	2,259
(5)	Deferred acquisition costs	-	-	-
(6)	Policyholder dividends accrual	-	-	-
(7)	Fixed assets & Intangibles	46	46	-
(8)	Compensation and benefit accrual	-	-	-
(9)	Pension accrual	-	-	-
(10)	Receivables - nonadmitted	-	-	-
(11)	Other Assets - Nonadmitted	-	-	-
(12)	Net operating loss carry-forward	-	-	-
(13)	Tax credit carry-forward	-	-	-
(14)	Deferred Rent	-	-	-
(15)	Other (including items <5% of total ordinary tax assets)	-	835	(835)
(99)	Subtotal	2,453	1,029	1,424
(b)	Statutory valuation adjustment	-	-	-
(c)	Nonadmitted	-	-	-
(d)	Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	2,453	1,029	1,424
(e)	Capital			
(1)	Investments	13,516	18,418	(4,902)
(2)	Net capital loss carry-forward	-	-	-
(3)	Real estate	-	-	-
(4)	Other (including items <5% of total capital tax assets)	-	-	-
(5)	Unrealized capital losses	993	74,477	(73,484)
(99)	Subtotal	14,509	92,895	(78,386)
(f)	Statutory valuation adjustment	-	-	-
(g)	Nonadmitted	(14,509)	(92,895)	78,386
(h)	Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i)	Admitted deferred tax assets (2d + 2h)	2,453	1,029	1,424
(3)	Deferred tax liabilities:			
		December 31, 2012	December 31, 2011	Change
(a)	Ordinary			
(1)	Investments	(9,673)	-	(9,673)
(2)	Fixed assets	-	-	-
(3)	Deferred and uncollected premiums	-	-	-
(4)	Policyholder reserves	-	-	-
(5)	Discount of accrued salvage and subrogation	-	-	-
(6)	Other (including items <5% of total ordinary tax liabilities)	-	-	-
(99)	Subtotal	(9,673)	-	(9,673)
(b)	Capital			
(1)	Investments	-	-	-
(2)	Real estate	-	-	-
(3)	Other (including items <5% of total capital tax liabilities)	-	-	-
(4)	Unrealized capital gains	-	-	-
(99)	Subtotal	-	-	-
(c)	Deferred tax liabilities (3a99 + 3b99)	(9,673)	-	(9,673)
(4)	Net deferred tax assets/liabilities (2i-3c)	(7,220)	1,029	(8,249)

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of non-admitted assets as the Change in Non-admitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2012	December 31, 2011	Change
Total deferred tax assets	16,962	93,924	(76,962)
Total deferred tax liabilities	(9,673)	-	(9,673)
Net deferred tax assets/liabilities	7,289	93,924	(86,635)
Statutory valuation allowance adjustment	-	-	-
Net deferred tax assets/liabilities after SVA	7,289	93,924	(86,635)
Tax effect on unrealized gain/(losses)	(993)	(74,477)	73,484
Statutory valuation allowance adjustment allocated to unrealized (+)	-	-	-
Tax effect of SSAP No. 3 adjustments	-	11,623	(11,623)
Change in net deferred income tax [(charge)/benefit]	6,296	31,070	(24,774)
SSAP No. 3 Impact	Current	Deferred	Total
Loss Reserves	-	-	-
Investment	(12,725)	12,458	(267)
Fixed Assets and Intangibles	-	-	-
Net Operating Loss	-	-	-
Other	-	(835)	(835)
Valuation Allowance	-	-	-
Total SSAP No. 3 Adjustments	(12,725)	11,623	(1,102)

NOTES TO FINANCIAL STATEMENTS

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate:

The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

Description	December 31, 2012	Effective Tax Rate
Provision computed at statutory rate	697,297	35.00%
Tax-Exempt Interest	(125,931)	-6.32%
Dividends Received Deduction	(41,408)	-2.08%
Proration	25,101	1.26%
Meals & Entertainment	-	0.00%
Change in Statutory Valuation Allowance Adjustment	-	0.00%
Change in nonadmitted assets	-	0.00%
Prior Year True Up	(1,972)	-0.10%
State Tax Expenses	-	0.00%
Foreign Tax Expenses	-	0.00%
Others	(2)	0.00%
Total	553,084	27.76%
Federal and Foreign Income Taxes incurred	354,759	17.81%
Tax on Realized Capital Gains/(Losses)	173,520	8.71%
Change in net deferred income taxes	24,774	1.24%
Total statutory income taxes	553,052	27.76%

E. Operating Loss and Tax Credit Carryforwards

- (1) At December 31, 2012, the Company has no unused net operating loss carryforwards available to offset against future taxable income.

At December 31, 2012, the Company has no capital loss carryforwards.

At December 31, 2012, the Company has no AMT credit carryforwards.

- (2) The following is income tax expense for 2011 and 2012 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2011	-	-	-
2012	-	-	-
Total	-	-	-

- (3) The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Returns

Tower Group, Inc. "TGI"
Tower Risk Management Corp. "TRM"
Tower Insurance Company of New York "TICNY"
Tower National Insurance Company "TNIC"
Preserver Group, Inc. "PGI"
Preserver Insurance Company "PIC"
North East Insurance Company "NEIC"
North Atlantic Underwriters, Inc.
Mountain Valley Indemnity Company "MVIC" [January 1, 2012 to February 1, 2012]
Ocean II Corp.
Ocean I Corp.
CastlePoint Bermuda Holdings, Ltd. "CPBH"
CastlePoint Management Corp. "CPM"
CastlePoint Reinsurance Company, Ltd. "CPRe"
CastlePoint Insurance Company "CPIC"
CastlePoint Florida Insurance Company "CPFL"
Hermitage Insurance Group, Inc. "HIG"
Hermitage Insurance Company "HIC"
Kodiak Insurance Company "KIC"
Specialty Underwriters' Alliance, Inc. "SUA"
CastlePoint National Insurance Company "CNIC" (fka SUA Insurance Company)
SUA Insurance Services, Inc.
CastlePoint Risk Management of Florida, Corp. "CRMFL"
Massachusetts Homeland Insurance Company "MHLIC"
York Insurance Company of Maine "YICM"

- (2) The method of allocation among companies is subject to a written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for any not operating losses or other items utilized in the consolidated tax return.

NOTES TO FINANCIAL STATEMENTS

G. Federal or Foreign Income Tax Loss Contingencies

The Company has no tax loss contingencies for which it is reasonable possible that the total liability will significantly increase within twelve months of the reporting dates.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. Nature of Relationships

During 2012, CastlePoint National Insurance Company (“CNIC”) sold 9% of its shares of the common stocks of the Company to Preserver Insurance Company (“PIC”), its affiliate. The Company is now owned by CNIC and PIC that are ultimately owned by, Tower Group, Inc. (“TGI”), a Delaware holding company.

B. Detail of Transactions Greater than 1/2 % of Admitted Assets

On December 18, 2012, the Company received additional paid-in capital of \$7,900,000 from PIC and PIC became a minority owner of the Company with 9% share.

C. Change in terms of Inter-company Arrangements

The Company did not change its methods of establishing terms regarding affiliate transactions during the period ended December 31, 2012.

D. Amounts Due to/From Related Parties

At December 31, 2012, the Company reported \$2,370,268 due from the parent, subsidiaries, and affiliates. The terms of the settlement require that these amounts are to be settled within 90 days.

E. Guarantees or Contingencies for Related Parties

The Company has not entered into any guarantees or undertakings for the benefit of any affiliate.

F. Management, Service Contracts, Cost Sharing Arrangements

The Company entered into a 100% quota share reinsurance agreement to cede in-force new and renewal business effective July 1, 2010 with an affiliate, North East Insurance Company (“NEIC”) for Personal lines and assume from Mountain Valley Indemnity Company (“MVIC”) for Commercial lines effective January 1, 2012, under the terms of which, will pay, receive, or provide services for, all of the Company’s non-investment expenses, both underwriting and non-underwriting for no fee or cost as long as the reinsurance agreement is in effect. The Company has a Service & Expense Agreement with its affiliate, NEIC, for any necessary services to be performed by NEIC on behalf of the Company, which are not covered under the quota share reinsurance agreement.

G. Nature of Relationships that Could Affect Operation.

The Company is owned by the affiliates of TGI.

H. Amount Deducted from the Value of an Upstream Intermediate Entity – Not applicable.

I. Detail of Investment in Affiliates Greater than 10% of Admitted Assets – Not applicable.

J. Write-down for Impairment of Investment in Affiliates – Not applicable.

K. Foreign Insurance Subsidiary Value Using CARVM – Not applicable.

L. Downstream Holding Company Value Using Look-Through Method – Not applicable.

11. Debt

A. The Company does not have any outstanding debt or capital notes.

B. The Company does not have any Federal Home Loan Bank (“FHLB”) agreements.

12. Retirement Plans, Deferred Compensation, Post Employment Benefits, Compensated Absences and Other Post Retirement Benefit Plans

A. The Company does not sponsor a defined benefit plan.

B. The Company does not sponsor a defined contribution plan.

C. The Company does not sponsor a Multiemployer plan.

D. Tower Group, Inc. offers a 401(k) Savings Plan for the benefit of its employees. The Plan matches 50% of each participant’s contribution up to 8% of the participant’s contribution.

E. The Company does not accrue for Post-employment Benefit and Compensated Absences.

F. Impact of Medicare Modernization Act on Post-retirement Benefits – Not applicable.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

A. Capital Stock, Authorized, Issued and Outstanding

The Company has 60,000 shares of common stock authorized at a par value of \$100 each and 31,250 shares issued and outstanding.

B. Dividend Rate of Preferred Stock

The Company does not have preferred stock issued and outstanding.

NOTES TO FINANCIAL STATEMENTS

C. Dividend Restrictions

Without prior approval of its domiciliary commissioner, dividends to the shareholders are limited by the laws of the Company's state of incorporation, Maine, to \$ 0.

D. Dividends Paid

The Company did not pay any dividends to its shareholders during the twelve months ending December 31, 2012.

E. Restrictions to Unassigned Funds (Surplus)

Within the limitations of (C) directly above, there are no other restrictions placed on the portion of Company's profits that may be paid as ordinary dividends to the Company's stockholders.

F. Restrictions to Unassigned Funds (Surplus)

The Company does not have restrictions placed on its unassigned funds (surplus).

G. Surplus Advances of Mutual Company

The Company is not a mutual Company.

H. Stock of the Company and or Affiliated Entities Held for Special Purposes

The Company does not hold stocks of affiliated companies for special purposes.

I. Changes in Special Surplus funds

The Company does not have unassigned funds (surplus) segregated into special surplus funds.

J. Change in Unassigned Funds

The portion of unassigned funds (surplus) affected by unrealized loss is \$43,672 at December 31, 2012.

K. Surplus Notes

The Company has not issued any Surplus Debentures.

L. Impact of the restatement in a quasi-reorganizations

The Company has not made any restatements due to quasi-reorganizations.

M. Effective date of a quasi-reorganizations

The Company does not have quasi-reorganizations effective in the prior 10 years.

14. Contingencies

- A. The Company does not have contingent commitments.
- B. There are no known assessments that could have a material financial effect on the Company as of December 31, 2012.
- C. The Company did not record any gain contingencies.
- D. The Company did not have any claims related to extra contractual obligation and bad faith losses stemming from lawsuits.
- E. The Company does not have product warranties.
- F. Various claims may have been made against the Company in the normal course of its business. The Company was not a party to any material litigation or arbitration other than routinely encountered in claims activity, none of which is expected by management to have an material adverse effect on the Company's financial condition and/or cash flow as of December 31, 2012.

15. Leases

A. Lessee's Leasing Arrangement

Not applicable.

B. Lessor's Leasing Arrangements

Not applicable.

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentration of Credit Risk

The Company does not have financial instruments with off-balance sheet risk or financial instruments with concentration of credit risk.

NOTES TO FINANCIAL STATEMENTS

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfer of Receivables Reported as Sales – Not applicable.
- B. Transfer and Servicing of Financial Assets – Not applicable.
- C. Wash Sales – Not applicable.

18. Gain or Loss to the Insurer from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

- A. Administrative Services Only (ASO) Plans – Not applicable.
- B. Administrative Services Contract (ASC) Plans – Not applicable.
- C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts – Not applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

The Company does not have managing general agents or third party administrators to produce direct premium.

20. Fair Value Measurements

- A. Inputs used for assets and liabilities measured at Fair Value in the statement of financial position after initial recognition

Assets Measured at Fair Value in the statement of financial position at the reporting date and the sources of the fair value measurements.

(1)	Fair Value Measurements at 12/31/2012				
	Description	(Level 1)	(Level 2)	(Level 3)	Total
a.	Assets at fair value				
	Perpetual Preferred stock				
	Industrial and Misc	-			-
	Parent, Subsidiaries and Affiliates				-
	Total Perpetual Preferred Stocks	-	-	-	-
	Bonds				
	U.S. Governments				-
	Industrial and Misc		396,644		396,644
	Hybrid Securities				-
	Parent, Subsidiaries and Affiliates				
	Total Bonds	-	396,644	-	396,644
	Common Stock				
	Industrial and Misc				-
	Parent, Subsidiaries and Affiliates	-			-
	Total Common Stocks	-	-	-	-
	Derivative assets				
	Interest rate contracts				
	Foreign exchange contracts				
	Credit contracts				
	Commodity futures contracts				
	Commodity forward contracts				
	Total Derivatives	-	-	-	-
	Separate account assets				
	Total assets at fair value	-	396,644	-	396,644
b.	Liabilities at fair value				
	Derivative liabilities				
	Total liabilities at fair value	-	-	-	-

- 1. For assets and liabilities held at the reporting date, the amounts of any transfers between Level 1 and Level 2 of the fair value hierarchy, the reasons of the transfers, and the reporting entity's policy for determining when transfers between levels are recognized. Transfers into each level shall be disclosed and discussed separately from transfers out of each level.

The Company had no transfers between Level 1 and level 2 of the fair value hierarchy.

- 2. For fair value measurements categorized within Level 3 of the fair value hierarchy, a reconciliation from the opening balances to the closing balances disclosing separately changes during the period attributable to the following:

NOTES TO FINANCIAL STATEMENTS

- a. Total gains or losses for the period recognized in income and surplus.
- b. Purchases, sales and settlements.
- c. The amounts of any transfers into and out of Level 3, the reasons for those transfers and the reporting entity's policy for determining when the transfers between levels are recognized. Transfers into Level 3 shall be disclosed and discussed separately from transfers out of level 3.

The Company had no Level 3 assets valued at fair value at 12/31/12 or 12/31/11.

- 3. A reporting entity shall disclose and consistently follow its policy for determining when transfers between levels are recognized. The policy about the timing of recognizing transfers shall be the same for transfers into Level 3 as that for transfers out of Level 3. Examples of policies for when to recognize the transfers are as follow:
 - (a) The actual date of the event or change in circumstances that caused the transfer.
 - (b) The beginning of the reporting period.
 - (c) The end of the reporting period.

No transfers were made between levels during the reporting period.

- 4. For fair value measurement categorized within Level 2 and Level 3 of the fair value hierarchy, SSAP No 100, Fair Value Measurements, require a reporting entity to disclose a description of the valuation technique(s) and the inputs used in the fair value measurement. A reporting entity might disclose the following:
 - a. Quantative information about the input, for example, for certain debt securities or derivatives, information such as, but not limited to prepayment rates, rates of estimated credit losses, interest rates (for example the LIBOR swap rate) or discount rates and volatilities.
 - b. The nature of the item being measured at fair value, including the characteristics of the item being measured that are considered in the determination of relevant inputs. For example, for residential mortgage-backed securities, a reporting entity might disclose the following:
 - 1. The types of underlying loans (for example, prime loans or sub prime loans).
 - 2. Collateral.
 - 3. Guarantees or other credit enhancements.
 - 4. Seniority level of the tranches of securities.
 - 5. The year of issue.
 - 6. The weighted-average coupon rate of the underlying loans and the securities.
 - 7. The weighted-average maturity of the underlying loans and the securities.
 - 8. The geographical concentration of the underlying loans.
 - 9. Information about the credit ratings of the securities.

In regards to item #4 a and b:

The valuation technique used for fair value measurement is the Market approach. No change in technique was made during the reporting period.

Independent pricing services such as IDC or NAIC prices are used for the fair valuation of assets categorized as Level 2.

There were no assets categorized as Level 3 at the reporting date.

- c. How third-party information such as broker quotes, pricing services, net asset values and relevant market data was considered in measuring fair value.

When measuring fair value, the Company process to validate the market prices obtained from the outside pricing sources include, but are not limited to, periodic evaluation of model pricing methodologies, the availability of observable inputs, market activity or liquidity. In circumstances where quoted market prices are unavailable, the Company utilizes fair value estimates based upon other observable inputs including matrix pricing, benchmarking interest rates, market comparables and other relevant inputs or based on unobservable inputs if observable inputs are not available.

- 5. For derivative assets and liabilities, the reporting entity shall present both of the following:
 - a. The fair value disclosures by paragraph 1 and 2 above on a gross basis.
 - b. The reconciliation disclosures required by paragraph 2, 3 and 4 on either a gross or a net basis.

In regards to item #5 a and b:

The Company does not have investments in derivatives.

B. Other Fair Value Disclosures.

Not applicable.

NOTES TO FINANCIAL STATEMENTS

C. Fair Value for All Financial Instruments by Level 1, Level 2 and Level 3.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable Carrying Value
Financial Instruments- assets						
Bonds - Schedule D- Part 1	\$ 35,025,863	\$ 33,329,107	\$ -	\$ 35,025,863	\$ -	
Redeemable Preferred Stock	4,575,235	4,519,487	4,575,235			
Perpetual Preferred Stock	-	-	-	-	-	
Common Stocks	-	-	-	-	-	
Mortgage Loans	-	-	-	-	-	
Cash, Cash equivalent & Short term investments	528,240	528,240		528,240		
Other Invested assets (carried at FV) **	1,959,164	1,959,164	1,959,164			
Receivable for securities	1,898,645	1,898,645		1,898,645		
Total Assets	\$ 43,987,147	\$ 42,234,643	\$ 6,534,399	\$ 37,452,748		
Financial Instruments- Liabilities	-	-	-	-		
Total Liabilities						

** Other invested asset - Merit LP Fund is reported at net asset value which is Fair Value.

D. Reasons Not Practical to Estimate Fair Value.

Not applicable.

21. Other Items

- A. Extraordinary Items – Not applicable.
- B. Troubled Debt restructuring for Debtors – Not applicable.
- C. Other Disclosures

Assets with the carrying value of \$3,231,079 and \$3,515,855 at December 31, 2012 and December 31, 2011, respectively, were on deposit with government authorities or trustees as required by law.

- D. Uncollected Premium Balances - The management of the Company assigns the collectability of these receivables under 100% quota share agreement for settlement of its obligation to pay for cession under the agreement to NEIC. Based on experience, amounts which may become uncollectible are expensed through operations by NEIC.
- E. Business Interruption Insurance Recoveries – Not applicable.
- F. State Transferable and Non-transferable Tax Credits – Not applicable.
- G. Subprime Mortgage - related Risk Exposure – Not applicable.

22. Event Subsequent

Type I. Recognized Subsequent Events

On April 25, 2012, Tower Group, Inc. (“Tower”) entered into an agreement to invest approximately \$75 million to acquire a 10.7% stake in Canopius Group Limited (“Canopius Group”), a privately owned Lloyd’s insurance holding company domiciled in Guernsey, Channel Islands. Tower also entered into an agreement dated April 25, 2012 under which Canopius Group committed to assist Tower with the establishment of a presence at Lloyd’s of London (subject to required approvals) and granted Tower an option (the “Merger Option”) to combine with Canopius Holdings Bermuda Limited (“Canopius Bermuda”).

On August 20, 2012, Tower closed on its acquisition of a 10.7% stake in Canopius Group and paid \$74.9 million.

On July 30, 2012, Tower announced that it exercised the Merger Option and executed an Agreement and Plan of Merger with Canopius Bermuda pursuant to which a wholly-owned subsidiary of Canopius Bermuda will acquire all of Tower’s common stock. Before the merger can be effective, Tower will require an affirmative vote by its stockholders and approval from the Board of Directors. It is also a condition of closing that Canopius Group sell its interest in Canopius Bermuda prior to the closing of the pending merger. Tower currently anticipates the closing of the merger to take place in March 2013.

Upon consummation of the Merger, Canopius domiciled in Channel Islands will become the ultimate controlling person and the Company will be deemed under foreign control.

Type II. Non-recognized Subsequent Events

None.

NOTES TO FINANCIAL STATEMENTS

23. Reinsurance (000's omitted)

A. Unsecured Reinsurance Recoverables that exceed 3.0% of policyholders surplus are as follows:

NAIC Code	Federal ID#	Reinsurer	Amount
21970	23-1502700	OneBeacon Insurance Company	11,285
		Total	\$ 11,285

B. Reinsurance Recoverable in Dispute:

None.

C. Reinsurance Assumed and Ceded:

(1)	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium	Commission	Premium	Commission	Premium	Commission
	Reserve	Equity	Reserve	Equity	Reserve	Equity
a. Affiliates	\$ 0	\$ 0	\$ 25,647	\$ 4,927	\$ (25,647)	\$ (4,927)
b. All Other	0	0	178	0	(178)	0
c. TOTAL	\$ 0	\$ 0	\$ 25,825	\$ 4,927	\$ (25,825)	\$ (4,927)
d. Direct Unearned Premium Reserve			\$ 25,643			

(2) Not applicable.

(3) Not applicable.

D. Uncollectible Reinsurance:

The Company did not write-off reinsurance recoverable balances during the twelve months of 2012.

E. Commutation of Ceded Reinsurance:

None.

F. Retroactive Reinsurance:

The Company has not entered into any retroactive reinsurance contracts.

G. Reinsurance Accounted for as a Deposit:

The Company does not have reinsurance contracts accounted for as deposits.

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

None.

I. Certified Reinsurer Downgraded or Status Subject to Revocation

Not applicable.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable.

25. Change in Incurred Losses and Loss Adjustment Expenses

The Company has a 100% quota share agreement with its affiliate, NEIC along with a 100% Quota Share arrangement with its former parent OneBeacon for all the commercial lines of business inception before July 1, 2010 and therefore, does not report any net incurred loss and loss adjustment expense.

26. Inter-Company Pooling Agreements

The Company has a 100% quota share agreement with NEIC and cedes 100% of the gross premium. The Company does not assume any premium from NEIC. NEIC will pay, or provide services for, all of the Company's non-investment operations, both underwriting and non-underwriting, for no fee or cost as long as the reinsurance agreement is in effect. The Company also has a 100% quota share agreement with its former parent OneBeacon for all the commercial lines of business that inception before July 1, 2010. The Company does not reflect any net underwriting results. Amounts due are settled in cash and or investments with NEIC and or NEIC's affiliated Pool members.

27. Structured Settlements

A. Reserves Release due to Purchase of Annuities

Not applicable.

NOTES TO FINANCIAL STATEMENTS

B. Annuity Insurers with Balance due greater than 1% of Policyholders' Surplus

Not applicable.

28. Health Care Receivables

A. Pharmaceutical rebate receivables – Not applicable.

B. Risk sharing receivables – Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

The Company does not have any premium deficiency reserves as of December 31, 2012 or December 31, 2011.

31. High Deductibles

Not applicable.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

The Company did not reflect any discounting of net liabilities for unpaid losses or unpaid LAE. Pursuant to the terms of the intercompany reinsurance agreement with NEIC, any direct liability would have been 100% ceded to NEIC.

33. Asbestos/Environmental Reserves

The Company does not have exposure to asbestos or environmental claims.

34. Subscriber Savings Accounts

The Company does not have subscriber savings account.

35. Multiple Peril Crop Insurance

The Company does not have multiple peril crop insurance.

36. Financial Guaranty Insurance

The Company does not write financial guaranty insurance contracts.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐

1.3

State Regulating?

Maine

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2009

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2009

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

02/04/2011

3.4

By what department or departments?
Maine Bureau of Insurance

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☒ No ☐ N/A ☐

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ N/A ☐

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes ☐ No ☒

4.12 renewals?

Yes ☐ No ☒

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes ☐ No ☒

4.22 renewals?

Yes ☐ No ☒

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒

5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒

7.2

If yes,

7.21 State the percentage of foreign control;

%

7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

PricewaterhouseCoopers, LLP 300 Madison Avenue, New York, New York 10017
- 10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]
- 10.2

If the response to 10.1 is yes, provide information related to this exemption:
- 10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]
- 10.4

If the response to 10.3 is yes, provide information related to this exemption:
- 10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [] No [] N/A [X]
- 10.6

If the response to 10.5 is no or n/a, please explain
Tower Group, Inc., ultimate parent of the Company, has an Audit Committee.
11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Yi Jing Towers Watson 175 Powder Forest Drive, Weatogue, CT 06089-9658
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]
- 12.11

Name of real estate holding company
- 12.12

Number of parcels involved
- 12.13

Total book/adjusted carrying value

\$
- 12.2

If, yes provide explanation:
13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []
- 13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []
- 13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] N/A []
- 14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []
- (a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c)

Compliance with applicable governmental laws, rules and regulations;
- (d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e)

Accountability for adherence to the code.
- 14.11

If the response to 14.1 is No, please explain:
- 14.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers\$

20.12 To stockholders not officers\$

20.13 Trustees, supreme or grand (Fraternal Only)\$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers\$

20.22 To stockholders not officers\$

20.23 Trustees, supreme or grand (Fraternal Only)\$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others\$

21.22 Borrowed from others\$

21.23 Leased from others\$

21.24 Other\$
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment\$

22.22 Amount paid as expenses\$

22.23 Other amounts paid\$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:\$

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [] No [X]
- 24.02 If no, give full and complete information relating thereto
Securities were restricted for special deposits (as noted in Schedule E part 3)
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
Tha company has no security lending program.
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs.\$
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs.\$
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

GENERAL INTERROGATORIES

24.10 For the reporting entity’s security lending program state the amount of the following as December 31 of the current year:

24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	
24.103	Total payable for securities lending reported on the liability page.	\$	

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes ☒ No ☐

25.2	If yes, state the amount thereof at December 31 of the current year:	25.21 Subject to repurchase agreements	\$	
		25.22 Subject to reverse repurchase agreements	\$	
		25.23 Subject to dollar repurchase agreements	\$	
		25.24 Subject to reverse dollar repurchase agreements	\$	
		25.25 Pledged as collateral	\$	
		25.26 Placed under option agreements	\$	
		25.27 Letter stock or other securities restricted as to sale	\$	
		25.28 On deposit with state or other regulatory body	\$	3,231,079
		25.29 Other	\$	

25.3 For category (25.27) provide the following:

1	2	3
Nature of Restriction	Description	Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes ☐ No ☒

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes ☐ No ☐ N/A ☒

If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes ☐ No ☒

27.2 If yes, state the amount thereof at December 31 of the current year.

\$

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes ☒ No ☐

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian's Address
The Northern Trust Company	50 South La Salle Street, Chicago, IL 60603

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes ☐ No ☒

28.04 If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository Number(s)	Name	Address
105900	General Re New England Asset Management Inc	78 Batterson Park Road, Farmington, CT 06032
107200	Wells Capital Management Inc	525 Market Street, 10th floor, San Francisco, CA 94105

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])?
- Yes [] No [X]
- 29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
29.2999 - Total		

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	33,329,107	35,025,863	1,696,756
30.2 Preferred stocks	4,519,487	4,575,235	55,748
30.3 Totals	37,848,594	39,601,098	1,752,504

- 30.4 Describe the sources or methods utilized in determining the fair values:
Market value of Bonds and stocks were determined from quotations received from SVC/IDC and other pricing services.
- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [X] No []
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [X] No []
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
.....
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 32.2 If no, list exceptions:
.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1	2
Name	Amount Paid

34.1 Amount of payments for legal expenses, if any?\$

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1	2
Name	Amount Paid

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1	2
Name	Amount Paid

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only.

\$ _____

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ _____

1.31 Reason for excluding

.....

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.

\$ _____

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$ _____

1.6

Individual policies:

Most current three years:

1.61 Total premium earned \$ _____

1.62 Total incurred claims \$ _____

1.63 Number of covered lives _____

All years prior to most current three years

1.64 Total premium earned \$ _____

1.65 Total incurred claims \$ _____

1.66 Number of covered lives _____

1.7

Group policies:

Most current three years:

1.71 Total premium earned \$ _____

1.72 Total incurred claims \$ _____

1.73 Number of covered lives _____

All years prior to most current three years

1.74 Total premium earned \$ _____

1.75 Total incurred claims \$ _____

1.76 Number of covered lives _____

2.

Health Test:

1

Current Year

2

Prior Year

2.1 Premium Numerator _____

2.2 Premium Denominator _____

2.3 Premium Ratio (2.1/2.2) 0.000 0.000

2.4 Reserve Numerator _____

2.5 Reserve Denominator _____

2.6 Reserve Ratio (2.4/2.5) 0.000 0.000

3.1

Does the reporting entity issue both participating and non-participating policies?

Yes [] No [X]

3.2

If yes, state the amount of calendar year premiums written on:

3.21 Participating policies \$ _____

3.22 Non-participating policies \$ _____

4.

For mutual reporting Entities and Reciprocal Exchanges Only:

4.1

Does the reporting entity issue assessable policies?

Yes [] No []

4.2

Does the reporting entity issue non-assessable policies?

Yes [] No []

4.3

If assessable policies are issued, what is the extent of the contingent liability of the policyholders?

% _____

4.4

Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.

\$ _____

5.

For Reciprocal Exchanges Only:

5.1

Does the Exchange appoint local agents?

Yes [] No []

5.2

If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation..... Yes [] No [] N/A []

5.22 As a direct expense of the exchange..... Yes [] No [] N/A []

5.3

What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

.....

5.4

Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?

Yes [] No []

5.5

If yes, give full information

.....

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
Not applicable.

6.2

Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
Maximum probable loss from concentration of property exposure are evaluated using RMS model.

6.3

What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The Company ceded 100% of its risk to North East Insurance Company, an affiliate. Tower Group maintains a catastrophe reinsurance program which provided coverage in the amount of \$925 million in excess of \$75 million.

6.4

Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?

Yes [X] No []

6.5

If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to unreinsured catastrophic loss.
.....

7.1

Has this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provisions)?.....

Yes [] No [X]

7.2

If yes, indicate the number of reinsurance contracts containing such provisions:

7.3

If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?.....

Yes [] No [X]

8.1

Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?

Yes [] No [X]

8.2

If yes, give full information
.....

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.

Yes [] No [X]

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

Yes [] No [X]

9.3

If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

Yes [] No [X]

9.5

If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or,
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

Yes [] No [X]
Yes [X] No []
Yes [] No [X]

10.

If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

Yes [] No [] N/A [X]

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes [] No [X]

11.2 If yes, give full information
.....

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses\$

12.12 Unpaid underwriting expenses (including loss adjustment expenses)\$

12.2 Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds\$

12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [] N/A [X]

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From %

12.42 To %

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves , including unpaid losses under loss deductible features of commercial policies? Yes [] No [X]

12.6 If yes, state the amount thereof at December 31 of the current year:

12.61 Letters of credit\$

12.62 Collateral and other funds.....\$

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):\$

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.1

14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes [] No [X]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
.....

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No []

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [] No []

14.5 If the answer to 14.4 is no, please explain:
.....

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [X]

15.2 If yes, give full information
.....

16.1 Does the reporting entity write any warranty business? Yes [] No [X]
If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home					
16.12 Products					
16.13 Automobile					
16.14 Other*					

* Disclose type of coverage:
.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5? Yes [] No [X]

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F - Part 5. Provide the following information for this exemption:

17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5	\$
17.12 Unfunded portion of Interrogatory 17.11	\$
17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$
17.14 Case reserves portion of Interrogatory 17.11	\$
17.15 Incurred but not reported portion of Interrogatory 17.11	\$
17.16 Unearned premium portion of Interrogatory 17.11	\$
17.17 Contingent commission portion of Interrogatory 17.11	\$

Provide the following information for all other amounts included in Schedule F - P art 3 and excluded from Schedule F - Part 5, not included above.

17.18 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5	\$
17.19 Unfunded portion of Interrogatory 17.18	\$
17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$
17.21 Case reserves portion of Interrogatory 17.18	\$
17.22 Incurred but not reported portion of Interrogatory 17.18	\$
17.23 Unearned premium portion of Interrogatory 17.18	\$
17.24 Contingent commission portion of Interrogatory 17.18	\$

18.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$

18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

18.4 If yes, please provide the balance of funds administered as of the reporting date. \$

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.

	1 2012	2 2011	3 2010	4 2009	5 2008
Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	14,445,927	13,093,294	14,416,462	25,953,411	35,512,540
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	13,125,090	12,148,828	13,897,198	16,839,132	18,016,503
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	21,392,532	20,329,176	23,517,117	25,369,932	32,024,280
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	15			81,509	17,859
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6. Total (Line 35)	48,963,564	45,571,298	51,830,777	68,243,984	85,571,182
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12. Total (Line 35)					
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)					
14. Net investment gain or (loss) (Line 11)	1,818,756	1,031,405	556,597	919,232	588,522
15. Total other income (Line 15)					7,768
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	354,758	152,350	253,541	182,994	243,034
18. Net income (Line 20)	1,463,998	879,055	303,056	736,238	353,256
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	45,009,605	35,644,772	39,623,159	16,242,439	15,897,736
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)					
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	33,263	28,911	13,978,709	182,028	163,791
22. Losses (Page 3, Line 1)					
23. Loss adjustment expenses (Page 3, Line 3)					
24. Unearned premiums (Page 3, Line 9)					
25. Capital paid up (Page 3, Lines 30 & 31)	3,125,000	3,125,000	3,125,000	3,125,000	3,125,000
26. Surplus as regards policyholders (Page 3, Line 37)	44,976,342	35,615,861	25,644,450	16,060,411	15,733,945
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	1,035,095	401,551	444,295	498,447	316,910
Risk-Based Capital Analysis					
28. Total adjusted capital	44,976,342	35,615,861	25,644,450	16,060,411	15,733,945
29. Authorized control level risk-based capital	693,843	1,009,457	1,363,548	34,735	31,577
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	78.9	97.7	94.9	96.2	93.8
31. Stocks (Lines 2.1 & 2.2)	10.7	2.7			
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	1.3	(0.4)	5.1	3.8	6.2
35. Contract loans (Line 6)					
36. Derivatives (Line 7)				XXX	XXX
37. Other invested assets (Line 8)	4.6				
38. Receivables for securities (Line 9)	4.5				
39. Securities lending reinvested collateral assets (Line 10)				XXX	XXX
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47					
49. Total Investment in Parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)					

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	(56,027)	13,347	16,062	(298,573)	56,596
52. Dividends to stockholders (Line 35)			(740,923)		
53. Change in surplus as regards policyholders for the year (Line 38)	9,360,481	9,971,411	9,584,039	326,466	1,456,630
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	14,560,913	10,903,549	15,327,488	13,779,657	13,058,619
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	6,759,871	6,817,773	6,323,863	7,153,325	6,681,145
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	6,765,599	6,806,782	9,141,542	11,371,001	18,118,083
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(3,667)	31,600	7,400		
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. Total (Line 35)	28,082,716	24,559,704	30,800,293	32,303,983	37,857,847
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. Total (Line 35)					
Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)					
68. Loss expenses incurred (Line 3)					
69. Other underwriting expenses incurred (Line 4)					
70. Net underwriting gain (loss) (Line 8)					
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)					
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)					
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)					
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)					
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0).....					
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)					
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []

If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1 Direct and Assumed	2 Ceded	3 Net (1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported Direct and Assumed
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	
1. Prior.....	XXX	XXX	XXX	426	426	118	118	4	4			XXX
2. 2003.....	179,894	179,894		66,336	66,336	2,859	2,859	1,771	1,771			XXX
3. 2004.....	186,410	186,410		58,688	58,688	2,310	2,310	12,395	12,395	4		XXX
4. 2005.....	180,549	180,549		52,656	52,656	2,633	2,633	11,792	11,792	16		XXX
5. 2006.....	127,383	127,383		38,022	38,022	1,447	1,447	8,751	8,751	6		XXX
6. 2007.....	89,161	89,161		36,037	36,037	6,177	6,177	5,876	5,876	5		XXX
7. 2008.....	87,602	87,602		30,628	30,628	2,216	2,216	4,614	4,614	9		XXX
8. 2009.....	80,619	80,619		25,761	25,761	2,440	2,440	5,029	5,029	12		XXX
9. 2010.....	56,793	56,793		19,724	19,724	529	529	4,115	4,115	61		XXX
10. 2011.....	48,535	48,535		18,817	18,817	203	203	7,338	7,338	500		XXX
11. 2012.....	49,822	49,822		11,362	11,362	(516)	(516)	4,925	4,925	634		XXX
12. Totals	XXX	XXX	XXX	358,457	358,457	20,416	20,416	66,610	66,610	1,247		XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded				Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior.....	2,910	2,910	(153)	(153)	255	255	39	39					XXX
2. 2003.....	1,270	1,270	(92)	(92)	84	84	52	52	2	2			XXX
3. 2004.....	1,271	1,271	23	23	88	88	80	80	2	2			XXX
4. 2005.....	333	333	(4)	(4)	47	47	119	119	3	3			XXX
5. 2006.....	988	988	729	729	64	64	70	70	4	4			XXX
6. 2007.....	633	633	1,107	1,107	1,104	1,104	78	78	9	9			XXX
7. 2008.....	2,059	2,059	912	912	244	244	86	86	10	10			XXX
8. 2009.....	4,918	4,918	773	773	614	614	170	170	16	16			XXX
9. 2010.....	2,419	2,419	1,102	1,102	277	277	221	221	26	26			XXX
10. 2011.....	3,439	3,439	1,844	1,844	156	156	282	282	61	61			XXX
11. 2012.....	3,035	3,035	3,855	3,855	(47)	(47)	254	254	2,245	2,245			XXX
12. Totals	23,275	23,275	10,096	10,096	2,886	2,886	1,451	1,451	2,378	2,378			XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred /Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2. 2003.....	72,282	72,282		40.2	40.2						
3. 2004.....	74,857	74,857		40.2	40.2						
4. 2005.....	67,579	67,579		37.4	37.4						
5. 2006.....	50,075	50,075		39.3	39.3						
6. 2007.....	51,021	51,021		57.2	57.2						
7. 2008.....	40,769	40,769		46.5	46.5						
8. 2009.....	39,721	39,721		49.3	49.3						
9. 2010.....	28,413	28,413		50.0	50.0						
10. 2011.....	32,140	32,140		66.2	66.2						
11. 2012.....	25,113	25,113		50.4	50.4						
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX		

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

Schedule P - Part 2 - Summary

N O N E

Schedule P - Part 3 - Summary

N O N E

Schedule P - Part 4 - Summary

N O N E

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories									
States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	N							
2. Alaska	AK	N							
3. Arizona	AZ	N							
4. Arkansas	AR	N							
5. California	CA	N							
6. Colorado	CO	N							
7. Connecticut	CT	E	3,168	3,549	53,160	(5,592,325)	2,031,473		
8. Delaware	DE	N							
9. District of Columbia	DC	N							
10. Florida	FL	N							
11. Georgia	GA	E	97,645	40,251		20,994	20,994		
12. Hawaii	HI	N							
13. Idaho	ID	N							
14. Illinois	IL	N							
15. Indiana	IN	N							
16. Iowa	IA	N							
17. Kansas	KS	N							
18. Kentucky	KY	N							
19. Louisiana	LA	N							
20. Maine	ME	L	36,229,990	34,794,632	12,812,963	16,279,808	12,904,987	411,865	
21. Maryland	MD	N							
22. Massachusetts	MA	L	25,423	24,693	71,443	(2,132,210)	53,610	323	
23. Michigan	MI	N							
24. Minnesota	MN	N							
25. Mississippi	MS	N							
26. Missouri	MO	N							
27. Montana	MT	N							
28. Nebraska	NE	N							
29. Nevada	NV	N							
30. New Hampshire	NH	L	13,015,629	13,058,990	6,185,493	8,213,419	5,487,487	147,994	
31. New Jersey	NJ	E	113,753	32,920		4,282	18,975		
32. New Mexico	NM	N							
33. New York	NY	E	96,995	65,252	4,410,209	1,833,272	4,920,972		
34. North Carolina	NC	N							
35. North Dakota	ND	N							
36. Ohio	OH	N							
37. Oklahoma	OK	N							
38. Oregon	OR	N							
39. Pennsylvania	PA	E	2,197	4,042		(13,889)	487		
40. Rhode Island	RI	E	2,404	2,432		19,088	19,088		
41. South Carolina	SC	N							
42. South Dakota	SD	N							
43. Tennessee	TN	N							
44. Texas	TX	N							
45. Utah	UT	N							
46. Vermont	VT	L	8,393	26,338	53,822	(770,367)	(139,874)	76	
47. Virginia	VA	N							
48. Washington	WA	N							
49. West Virginia	WV	N							
50. Wisconsin	WI	N							
51. Wyoming	WY	N							
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien ..	OT	XXX							
59. Totals	(a) 4	49,595,597	48,053,099		23,587,090	17,862,072	25,318,199	560,258	
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX								

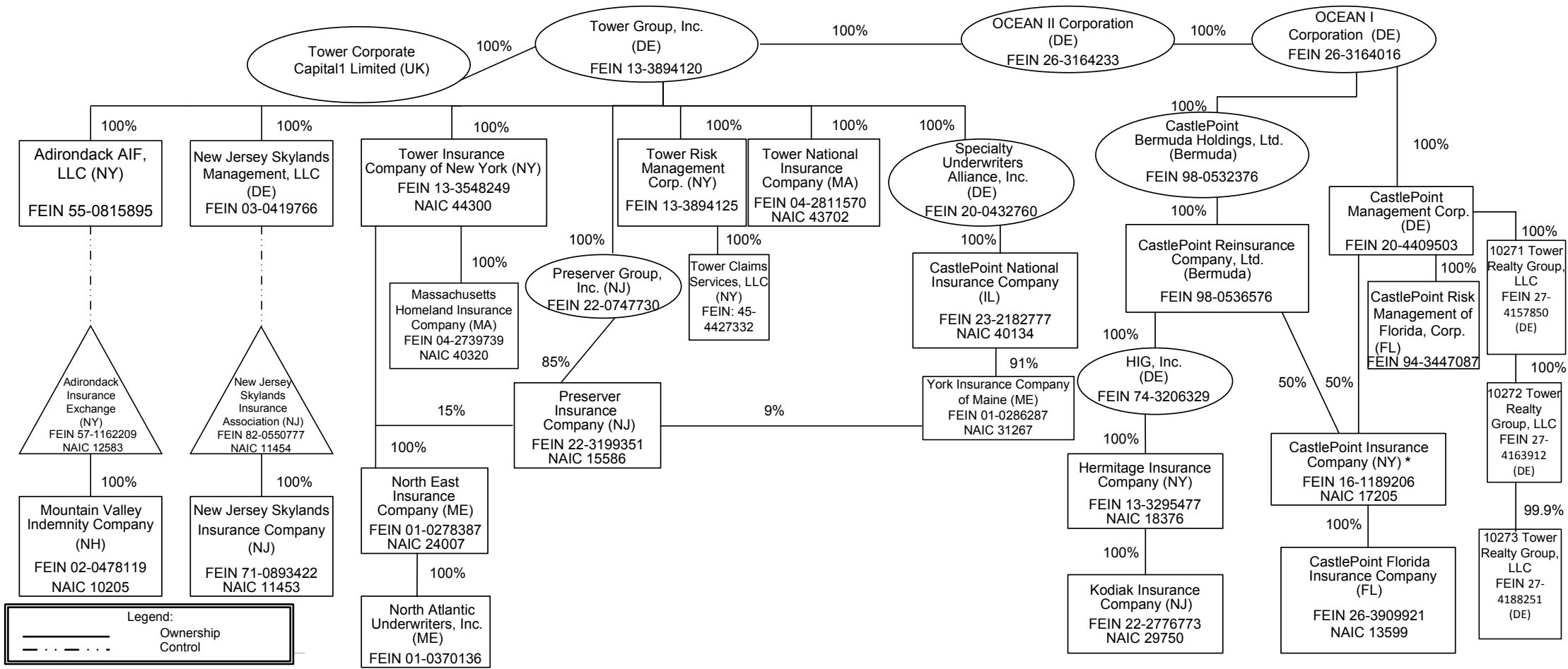
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation of premiums by states, etc.
Allocation of premiums by states is based on location of property, location of risk and location of primary garage.
(a) Insert the number of L responses except for Canada and Other Alien.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE York Insurance Company of Maine

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

Organizational Chart of Tower Group, Inc.



* All outstanding shares of CastlePoint Insurance Company ("CPIC") are owned 50% by CastlePoint Management Corp. ("CPM") and 50% by CastlePoint Reinsurance Company, Ltd. ("CPRe"). With respect to the ownership of CPIC, there are no voting rights preferences assigned to either CPM or CPRe.

NONE

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Assets 2

Cash Flow 5

Exhibit of Capital Gains (Losses) 12

Exhibit of Net Investment Income 12

Exhibit of Nonadmitted Assets 13

Exhibit of Premiums and Losses (State Page) 19

Five-Year Historical Data 17

General Interrogatories 15

Jurat Page 1

Liabilities, Surplus and Other Funds 3

Notes To Financial Statements 14

Overflow Page For Write-ins 101

Schedule A - Part 1 E01

Schedule A - Part 2 E02

Schedule A - Part 3 E03

Schedule A - Verification Between Years SI02

Schedule B - Part 1 E04

Schedule B - Part 2 E05

Schedule B - Part 3 E06

Schedule B - Verification Between Years SI02

Schedule BA - Part 1 E07

Schedule BA - Part 2 E08

Schedule BA - Part 3 E09

Schedule BA - Verification Between Years SI03

Schedule D - Part 1 E10

Schedule D - Part 1A - Section 1 SI05

Schedule D - Part 1A - Section 2 SI08

Schedule D - Part 2 - Section 1 E11

Schedule D - Part 2 - Section 2 E12

Schedule D - Part 3 E13

Schedule D - Part 4 E14

Schedule D - Part 5 E15

Schedule D - Part 6 - Section 1 E16

Schedule D - Part 6 - Section 2 E16

Schedule D - Summary By Country SI04

Schedule D - Verification Between Years SI03

Schedule DA - Part 1 E17

Schedule DA - Verification Between Years SI10

Schedule DB - Part A - Section 1 E18

Schedule DB - Part A - Section 2 E19

Schedule DB - Part A - Verification Between Years SI11

Schedule DB - Part B - Section 1 E20

Schedule DB - Part B - Section 2 E21

Schedule DB - Part B - Verification Between Years SI11

Schedule DB - Part C - Section 1 SI12

Schedule DB - Part C - Section 2 SI13

Schedule DB - Part D E22

Schedule DB - Verification SI14

Schedule DL - Part 1 E23

Schedule DL - Part 2 E24

Schedule E - Part 1 - Cash E25

Schedule E - Part 2 - Cash Equivalents E26

Schedule E - Part 3 - Special Deposits E27

Schedule E - Verification Between Years SI15

Schedule F - Part 1 20

Schedule F - Part 2 21

Schedule F - Part 3 22

Schedule F - Part 4 23

Schedule F - Part 5 24

Schedule F - Part 6 - Section 1 25

Schedule F - Part 6 - Section 2 27

Schedule F - Part 7 28

Schedule F - Part 8 29

Schedule F - Part 9 30

ANNUAL STATEMENT BLANK (Continued)

Schedule H - Accident and Health Exhibit - Part 1	31
Schedule H - Part 2, Part 3 and 4	32
Schedule H - Part 5 - Health Claims	33
Schedule P - Part 1 - Summary	34
Schedule P - Part 1A - Homeowners/Farmowners	36
Schedule P - Part 1B - Private Passenger Auto Liability/Medical	37
Schedule P - Part 1C - Commercial Auto/Truck Liability/Medical	38
Schedule P - Part 1D - Workers' Compensation (Excluding Excess Workers' Compensation)	39
Schedule P - Part 1E - Commercial Multiple Peril	40
Schedule P - Part 1F - Section 1 - Medical Professional Liability - Occurrence	41
Schedule P - Part 1F - Section 2 - Medical Professional Liability - Claims-Made	42
Schedule P - Part 1G - Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler and Machinery)	43
Schedule P - Part 1H - Section 1 - Other Liability - Occurrence	44
Schedule P - Part 1H - Section 2 - Other Liability - Claims-Made	45
Schedule P - Part 1I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	46
Schedule P - Part 1J - Auto Physical Damage	47
Schedule P - Part 1K - Fidelity/Surety	48
Schedule P - Part 1L - Other (Including Credit, Accident and Health)	49
Schedule P - Part 1M - International	50
Schedule P - Part 1N - Reinsurance - Nonproportional Assumed Property	51
Schedule P - Part 1O - Reinsurance - Nonproportional Assumed Liability	52
Schedule P - Part 1P - Reinsurance - Nonproportional Assumed Financial Lines	53
Schedule P - Part 1R - Section 1 - Products Liability - Occurrence	54
Schedule P - Part 1R - Section 2 - Products Liability - Claims-Made	55
Schedule P - Part 1S - Financial Guaranty/Mortgage Guaranty	56
Schedule P - Part 1T - Warranty	57
Schedule P - Part 2, Part 3 and Part 4 - Summary	35
Schedule P - Part 2A - Homeowners/Farmowners	58
Schedule P - Part 2B - Private Passenger Auto Liability/Medical	58
Schedule P - Part 2C - Commercial Auto/Truck Liability/Medical	58
Schedule P - Part 2D - Workers' Compensation (Excluding Excess Workers' Compensation)	58
Schedule P - Part 2E - Commercial Multiple Peril	58
Schedule P - Part 2F - Section 1 - Medical Professional Liability - Occurrence	59
Schedule P - Part 2F - Section 2 - Medical Professional Liability - Claims-Made	59
Schedule P - Part 2G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	59
Schedule P - Part 2H - Section 1 - Other Liability - Occurrence	59
Schedule P - Part 2H - Section 2 - Other Liability - Claims-Made	59
Schedule P - Part 2I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft)	60
Schedule P - Part 2J - Auto Physical Damage	60
Schedule P - Part 2K - Fidelity, Surety	60
Schedule P - Part 2L - Other (Including Credit, Accident and Health)	60
Schedule P - Part 2M - International	60
Schedule P - Part 2N - Reinsurance - Nonproportional Assumed Property	61
Schedule P - Part 2O - Reinsurance - Nonproportional Assumed Liability	61
Schedule P - Part 2P - Reinsurance - Nonproportional Assumed Financial Lines	61
Schedule P - Part 2R - Section 1 - Products Liability - Occurrence	62
Schedule P - Part 2R - Section 2 - Products Liability - Claims-Made	62
Schedule P - Part 2S - Financial Guaranty/Mortgage Guaranty	62
Schedule P - Part 2T - Warranty	62
Schedule P - Part 3A - Homeowners/Farmowners	63
Schedule P - Part 3B - Private Passenger Auto Liability/Medical	63
Schedule P - Part 3C - Commercial Auto/Truck Liability/Medical	63
Schedule P - Part 3D - Workers' Compensation (Excluding Excess Workers' Compensation)	63
Schedule P - Part 3E - Commercial Multiple Peril	63
Schedule P - Part 3F - Section 1 - Medical Professional Liability - Occurrence	64
Schedule P - Part 3F - Section 2 - Medical Professional Liability - Claims-Made	64
Schedule P - Part 3G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	64
Schedule P - Part 3H - Section 1 - Other Liability - Occurrence	64
Schedule P - Part 3H - Section 2 - Other Liability - Claims-Made	64
Schedule P - Part 3I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft)	65
Schedule P - Part 3J - Auto Physical Damage	65
Schedule P - Part 3K - Fidelity/Surety	65
Schedule P - Part 3L - Other (Including Credit, Accident and Health)	65
Schedule P - Part 3M - International	65
Schedule P - Part 3N - Reinsurance - Nonproportional Assumed Property	66
Schedule P - Part 3O - Reinsurance - Nonproportional Assumed Liability	66
Schedule P - Part 3P - Reinsurance - Nonproportional Assumed Financial Lines	66
Schedule P - Part 3R - Section 1 - Products Liability - Occurrence	67
Schedule P - Part 3R - Section 2 - Products Liability - Claims-Made	67
Schedule P - Part 3S - Financial Guaranty/Mortgage Guaranty	67
Schedule P - Part 3T - Warranty	67

ANNUAL STATEMENT BLANK (Continued)

Schedule P - Part 4A - Homeowners/Farmowners	68
Schedule P - Part 4B - Private Passenger Auto Liability/Medical	68
Schedule P - Part 4C - Commercial Auto/Truck Liability/Medical	68
Schedule P - Part 4D - Workers' Compensation (Excluding Excess Workers' Compensation)	68
Schedule P - Part 4E - Commercial Multiple Peril	68
Schedule P - Part 4F - Section 1 - Medical Professional Liability - Occurrence	69
Schedule P - Part 4F - Section 2 - Medical Professional Liability - Claims-Made	69
Schedule P - Part 4G - Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	69
Schedule P - Part 4H - Section 1 - Other Liability - Occurrence	69
Schedule P - Part 4H - Section 2 - Other Liability - Claims-Made	69
Schedule P - Part 4I - Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft)	70
Schedule P - Part 4J - Auto Physical Damage	70
Schedule P - Part 4K - Fidelity/Surety	70
Schedule P - Part 4L - Other (Including Credit, Accident and Health)	70
Schedule P - Part 4M - International	70
Schedule P - Part 4N - Reinsurance - Nonproportional Assumed Property	71
Schedule P - Part 4O - Reinsurance - Nonproportional Assumed Liability	71
Schedule P - Part 4P - Reinsurance - Nonproportional Assumed Financial Lines	71
Schedule P - Part 4R - Section 1 - Products Liability - Occurrence	72
Schedule P - Part 4R - Section 2 - Products Liability - Claims-Made	72
Schedule P - Part 4S - Financial Guaranty/Mortgage Guaranty	72
Schedule P - Part 4T - Warranty	72
Schedule P - Part 5A - Homeowners/Farmowners	73
Schedule P - Part 5B - Private Passenger Auto Liability/Medical	74
Schedule P - Part 5C - Commercial Auto/Truck Liability/Medical	75
Schedule P - Part 5D - Workers' Compensation (Excluding Excess Workers' Compensation)	76
Schedule P - Part 5E - Commercial Multiple Peril	77
Schedule P - Part 5F - Medical Professional Liability - Claims-Made	79
Schedule P - Part 5F - Medical Professional Liability - Occurrence	78
Schedule P - Part 5H - Other Liability - Claims-Made	81
Schedule P - Part 5H - Other Liability - Occurrence	80
Schedule P - Part 5R - Products Liability - Claims-Made	83
Schedule P - Part 5R - Products Liability - Occurrence	82
Schedule P - Part 5T - Warranty	84
Schedule P - Part 6C - Commercial Auto/Truck Liability/Medical	85
Schedule P - Part 6D - Workers' Compensation (Excluding Excess Workers' Compensation)	85
Schedule P - Part 6E - Commercial Multiple Peril	86
Schedule P - Part 6H - Other Liability - Claims-Made	87
Schedule P - Part 6H - Other Liability - Occurrence	86
Schedule P - Part 6M - International	87
Schedule P - Part 6N - Reinsurance - Nonproportional Assumed Property	88
Schedule P - Part 6O - Reinsurance - Nonproportional Assumed Liability	88
Schedule P - Part 6R - Products Liability - Claims-Made	89
Schedule P - Part 6R - Products Liability - Occurrence	89
Schedule P - Part 7A - Primary Loss Sensitive Contracts	90
Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts	92
Schedule P Interrogatories	94
Schedule T - Exhibit of Premiums Written	95
Schedule T - Part 2 - Interstate Compact	96
Schedule Y - Information Concerning Activities of Insurer Members of a Holding Company Group	97
Schedule Y - Part 1A - Detail of Insurance Holding Company System	98
Schedule Y - Part 2 - Summary of Insurer's Transactions With Any Affiliates	99
Statement of Income	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	100
Underwriting and Investment Exhibit Part 1	6
Underwriting and Investment Exhibit Part 1A	7
Underwriting and Investment Exhibit Part 1B	8
Underwriting and Investment Exhibit Part 2	9
Underwriting and Investment Exhibit Part 2A	10
Underwriting and Investment Exhibit Part 3	11